STEWARDSHIP CONTRACTING: THE FY 2003 OMNIBUS APPROPRIATIONS BILL (P.L. 108-7), SECTION 323, amended Section 347 of the FY 1999 Appropriation Omnibus (P.L. 105-277, OCT. 21, 1998) that originally granted the U.S. Forest Service pilot stewardship contracting authority. The language below reflects these amendments to the pilot stewardship language and is the new authority granting BLM the ability to utilize stewardship contracting as a tool for forest and rangeland restoration.

SEC. 347 (as amended by Section 323 of P.L. 108-7) STEWARDSHIP END RESULT CONTRACTING PROJECTS.
(a) IN GENERAL.—Until September 30, 2013, the Forest Service and the Bureau of Land Management, via agreement or contract as appropriate, may enter into stewardship contracting projects with private persons or other public or private entities to perform services to achieve land management goals for the national forest and the public lands that meet local and rural community needs;

- (b) Land Management Goals.—The land management goals of a contract under subsection (a) may include, among other things—
 - (1) road and trail maintenance or obliteration to restore or maintain water quality;
 - (2) soil productivity, habitat for wildlife and fisheries, or other resource values;
 - (3) setting of prescribed fires to improve the composition, structure, condition, and health of stands or to improve wildlife habitat;
 - (4) removing vegetation or other activities to promote healthy forest stands, reduce fire hazards, or achieve other land management objectives:
 - (5) watershed restoration and maintenance;
 - (6) restoration and maintenance of wildlife and fish habitat; and 16 USC 2104 note.
 - (7) control of noxious and exotic weeds and reestablishing native plant species.

(c) CONTRACTS.—

- (1) PROCUREMENT PROCEDURE.—A source for performance of a contract under subsection (a) shall be selected on a bestvalue basis, including consideration of source under other public and private contracts.
- (2) TERM.—A multiyear contract may be entered into under subsection (a) in accordance with section 304B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254c), except that the period of the contract may exceed 5 years but may not exceed 10 years.

(3) Offsets.—

(A) IN GENERAL.—In connection with contracts under subsection (a), the

Forest Service and the Bureau of Land Management may apply the value of timber or other forest products removed as an offset against the cost of services received.

(B) METHODS OF APPRAISAL.—The value of timber or other forest products used as offsets under subparagraph (A)—

- (i) shall be determined using appropriate methods of appraisal commensurate with the quantity of products to be removed:
- (ii) may be determined using a unit of measure appropriate to the contracts; and (iii) may include valuing
- products on a per-acre basis.
- (4) RELATION TO OTHER LAWS.—The Forest Service and the Bureau of Land Management may enter into contracts under subsection (a), notwithstanding subsections (d) and (g) of section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a).
- (5) CONTRACTING OFFICER. Notwithstanding any other provision of law, the Secretary of Agriculture or the Secretary of the Interior may determine the appropriate contracting officer to enter into and administer an agreement or contract under subsection (a).

(d) RECEIPTS.—

- (1) IN GENERAL.—The Forest Service and the Bureau of Land Management may collect monies from a contract under subsection (a) so long as such collection is a secondary objective of negotiating contracts that will best achieve the purposes of this section.
- (2) USE.—Monies from a contract under subsection (a) may be retained by the Forest Service and the Bureau of Land Management and shall be available for expenditure without further appropriation at the project site from which the monies are collected or at another project site.
- (3) RELATION TO OTHER LAWS.—The value of services received by the Forest Service or the Bureau of Land Management under a stewardship contract project conducted under this section, and

any payments made or resources provided by the contractor or the Forest Service or the Bureau of Land Management under such a project, shall not be considered to be monies received from the National Forest System or the public lands under any provision of law. The Act of June 9, 1930 (16 U.S.C. 576 et seq.; commonly known as the Knutson-Vandenberg Act), shall not apply to stewardship contracts entered into under this section.

(e) Costs of Removal.—The Forest Service may collect deposits from contractors covering the costs of removal of timber or other forest products pursuant to the Act of August 11, 1916 (39 Stat. 462, chapter 313; 16 U.S.C. 490); and the next to the last paragraph under the heading "Forest Service." under the heading "Department of Agriculture" in the Act of June 30, 1914 (38 Stat. 430, chapter 131; 16 U.S.C. 498); notwithstanding the fact

that the timber purchasers did not harvest the timber. (f) Performance and Payment Guarantees.—

- (1) IN GENERAL.—The Forest Service and the Bureau of Land Management may require performance and payment bonds, in accordance with sections 103–2 and 103–2 of part 28 of the Federal Acquisition Regulation (48 C.F.R. 28.103–2, 28.103–3), in an amount that the contracting officer considers sufficient to protect the Government's investment in receipts generated by the contractor from the estimated value of the forest products to be removed under contract under subsection (a).
- (2) EXCESS OFFSET VALUE.—If the offset value of the forest products exceeds the value of the resource improvement treatments, the Forest Service and the Bureau of Land Management may—

(A) collect any residual receipts pursuant to the Act of June 9, 1930 (46 Stat. 527, chapter 416; 16 U.S.C.
(B) apply the excess to other authorized stewardship projects.

- (g) Monitoring, Evaluation and Reporting.—
 The Forest Service and the Bureau of Land
 Management shall establish a multiparty monitoring
 and evaluation process that accesses the stewardship
 contracting projects conducted under this section.
 Besides the Forest Service and the Bureau of Land
 Management, participants in this process may
 include any cooperating governmental agencies,
 including tribal governments, and any interested
 groups or individuals. The Forest Service and the
 Bureau of Land Management shall report annually
 to the Committee on Appropriations of the House of
 Representatives and the Committee on
 Appropriations of the Senate on—
- (1) the status of development, execution, and administration of contracts under subsection (a);
- (2) the specific accomplishments that have resulted; and
- (3) the role of local communities in development of contract plans.